# COOPERATIVE AGREEMENT DIVISION OF ECONOMIC ASSISTANCE DIVISION OF HEALTH DEPARTMENT OF HEALTH & SOCIAL SERVICES

## I. PURPOSE

This agreement is entered into between the State Title IV-D Agency and the State Title XIX Agency for the purpose of establishing and enforcing medical support liabilities of absent parents for their children who are eligible for Medicaid coverage.

This cooperative agreement provides a working arrangement and plan for cooperation between the Division of Economic Assistance (DEA) and the Division of Health (DOH) and establishes both individual and joint responsibilities relative to the implementation of a program to create and enforce medical liabilities of absent parents of certain minor applicants and recipients of Medicaid (Title XIX) in Wisconsin. The primary objective of the program outlined herein shall be to obtain Medicaid benefit cost savings through utilization of group health insurance benefits available through the employment of absent parents. The authority for this agreement is derived from 42 CFR, Part 433 and 45 CFR, Parts 302 and 306.

#### II. GLOSSARY OF TERMS

1. Medical Support Liability Program means the program designed to create and enforce medical liabilities of absent parents of certain minor applicants and recipients of Medicaid (Title XIX) in Wisconsin.

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- 2. State Title XIX (Medicaid) Agency means the Department of Health and Social Services, Division of Health, Bureau of Health Care Financing, as described in Attachment 1.2A of the Title XIX State Plan.
- 3. State Title IV-D (Child Support) Agency means the Department of Health

  Attachment 1.2A of the Title IV-D State Plan.
- 4. Bureau of Child Support means the unit within the Division of Economic Assistance assigned responsibility for approving annual Medical Support Liability Program administrative costs; approving and making payment of actual administrative cost claims; receiving all medical support collections; and distributing the collections, including calculation and payment of incentives.
- 5. Third Party Liability Unit means the unit within the Division of Health, Bureau of Health Care Financing assigned responsibility for implementation of the Medical Support Liability Program.
- 6. County Department of Social Services or Human Services means the local agency created by Wisconsin Statute which is responsible for administration of the Title IV-A and Title XIX Program through contract with the State Department of Health and Social Services.

- 7. Tribal Income Maintenance Agency means the agency established by any federally recognized tribal governing body authorized by Wisconsin Statute to receive state funds for administration of the Title IV-A and Title XIX Program through contract with the State Department of Health and Social Services.
- 8. County Child Support Agency means the local agency created by county board resolution which is responsible for administration of the Title IV-D Program through contract with the State Title IV-D Agency.
- 9. Local Units of Government means counties defined under Chapter 59, Wisconsin Statutes and federally recognized elected tribal governing bodies.

### III. RESPONSIBILITIES OF THE STATE TITLE XIX (MEDICAID) AGENCY

#### A. The Division of Health shall:

1. Provide full reimbursement from Medicaid (Title XIX) funds to the Division of Economic Assistance for administrative costs incurred at the County, and tribal level including staff equivalencies, equipment, and other related costs for implementing a Medical Support Liability Program. If in any fiscal year it appears costs could exceed the available state funds available, DOH will inform DEA or its successor BEA to notify the local agencies to reduce or temporarily curtail their activities.

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- Amend the State Medicaid Plan to reflect implementation of the Medical Support Liability Program.
- 3. Design with the DEA an administrative reimbursement system that meets DOH needs and is compatible with local agency reporting
- B. The Third Party Liability Unit shall:
  - Identify data required and manage available health insurance benefits. Data shall include case number, unit surname, names and birthdates of Medicaid eligible children, and absent parent's name. Additional or changed data may be required via modifications to this agreement.
  - Prepare and maintain records to measure effective operation and management of the Medical Support Liability Program.
  - 3. Monitor compliance of absent parents to provide insurance coverage and refer non-compliance information to the Bureau of Child Support.
  - 4. Assure the utilization of health insurance benefits which are made available as a result of program operations.

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## IV. RESPONSIBILITIES OF THE STATE IV-D (CHILD SUPPORT) AGENCY

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- Modify existing contracts with local units of government to maintenance of effort.
- 2. Monitor and insure compliance by County Child Support Agencies, County Departments of Social Services or Human Services and Tribal Income Maintenance Agencies with the requirements of the Medical Support Liability Program.
- 3. Amend the State Plan for Title IV-D to reflect the requirements of the program, as stated in applicable federal regulations.
- 4. Revise the Child Support Enforcement and Income Maintenance

  Manuals as required for operation of the program, including

  specific instructions to assure maintenance of effort.
- 5. Determine any workload increase in County Departments of Social
  Services or Human Services and Tribal Income Maintenance Agencies
  which arise as a result of the Medical Support Liability Program

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- 6. Design with DOH an administration reimbursement system that meets

  DOH needs and is compatable with local agency reporting formats.
- 7. Notify local agencies to reduce or cease MSL tasks if DOH so instructs DEA.
- B. The Bureau of Child Support shall;
  - 1. Calculate the annual Medical Support Liability Program administrative budget available to County Child Support Agencies.
  - 2. Approve all actual claims for administrative reimbursement by County Child Support Agencies for the Medical Support Liability Program, and forward these claims to the State Medicaid Agency for payment.
  - 3. Receive all medical cost collections from County Child Support Agencies.
  - 4. Distribute the collections as required by 42 CFR 443.154 including calculation and payment of the incentives provided for by 42 CFR 433.153.
- C. The County Department of Social Services or Human Services and Tribal

  Income Maintenance Agencies shall:

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- Identify Medicaid (Title XIX) cases in which a parent resides
   outside the family home and refer such cases to the County Child
   Support Agency.
- 2. Provide data input to the Recipient Eligibility Subsystem of
- D. The County Child Support Agency shall:
  - 1. Receive referrals from County Departments of Social Services or Human Services and Tribal Income Maintenance Agencies for any child of a parent not residing with the child or for any child, born or unborn.
  - 2. Insure establishment of paternity unless a finding of "Good Cause" has been made by the County Department of Social Services or Human Services and Tribal Income Maintenance Agencies in conjunction with provisions contained in the Income Maintenance Manual, and the Child Support Enforcement Manual.
  - Verify whether the absent parent has a group health insurance policy or plan that covers the child(ren), and obtain and report the necessary group health insurance information as outlined in the Child Support Enforcement Manual or other operational directives.

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- 4. Transmit group health insurance and other information to the County Department of Social Services or Human Services Agency and Tribal Income Maintenance Agency in accordance with procedures outlined in the Child Support Enforcement Manual or other operational directives.
- 5. Update the health insurance coverage information whenever the absent parent reports changes in status, or whenever such information is otherwise obtained, and forward that information to the County Department of Social Services or Human Services and Tribal Income Maintenance Agencies.
- 6. Require the absent parent to secure group health insurance coverage through his or her place of employment in accordance with any existent court or administrative order when it will not reduce the absent parent's ability to pay child maintenance support.
- 7. Arrange medical support as a part of all new court orders which provide for other financial support of dependent children.
- 8. Seek amendment of existing court orders to require the absent parent to provide medical support for dependent children, when amending such orders for other reasons, if medical support obligations are unclear or excluded in the existing order. Court orders may be amended for strictly medical support order changes, if deemed to be desireable by the County Child Support Agency.

9. Maintain necessary case file information. To the greatest possible extent, records related to medical support enforcement will be integrated with records related to child support activities.

recipients or beneficiaries and information related to absent parents and their support obligations to administrative necessity, and to use and disclosure permitted by provisions contained in the Income Maintenance Manual and the Child Support Enforcement Manual.

- 11. Submit monthly Caseload and Activity Reports to the Division of Economic Assistance, Bureau of Child Support by the 15th of the month following the reporting period, as specified in the County Child Support Enforcement Manual.
- 12. Establish and maintain separate supporting fiscal records

  adequate to assure that claims for reimbursement of

  administrative costs are in accordance with applicable federal

  requirements, and to insure maintenance of effort.
- E. The County Child Support Agencies may:

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- 1. Locate the absent parent using the State Parent Locator Service and the Federal Parent Locator Service, as needed in the judgment of the County Child Support Agency.
- 2. Make cash collections from absent parents, but only when maintenance support payments.
- F. The County Child Support Agency, if cash collections are made from absent parents, shall:
  - Forward all cash collections made from absent parents to the Division of Economic Assistance, Bureau of Child Support.
  - Submit monthly reports to the Division of Economic Assistance, Bureau of Child Support by the 10th of the month following the month of collection, including but not limited to the following data:
    - a) Name of absent parent;
    - b) Court Order number;
    - c) Collection amount, including both in-state and out of state collections;
    - d) Name and Medicaid I.D. number(s) of the recipient(s) on whose behalf the collection has been made.

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# V. AREAS OF COOPERATION

The Division of Economic Assistance and Division of Health shall cooperate to reach agreement in the following areas:

- provisions of this agreement.
- 2. Identification and implementation of training requirements and manual instructions regarding program operations.
- 3. Establishment of standards for local program evaluation and measurement of the relative effectiveness of the Medical Support Liability Program.
- 4. Creation and maintenance of all reporting and administrative methods for the utilization of medical support liability.
- 5. Insure that there shall be no decrease in Child Support Enforcement Program activities, personnel or resources as a result of implementation of the Medical Support Liability Program.

# DURATION

The terms of this agreement are extended indefinitely, subject to a 90-day termination of agreement notice by either party. Any modifications to this agreement must be approved by both parties and become effective upon approval.

If providing parties of the two divisions are unable to reach agreement in areas requiring cooperation, the method of resolution described in Section XI of the Memorandum of Understanding, dated March 1, 1978 will be adhered to.

Bernard	Stumbras,	Administrator
Division	of Æconom	ic Assistance

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Date

Date

Kenneth Rentmeester, Administrator

Division of Health